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TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMEMBASSY MOSCOW

TREASURY

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

INFO USSAGE NKP

CINCPAC HONOLULU HI

COGARD

AMEMBASSY BUDAPEST BY POUCH

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

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COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: MARCH 12 EA PRESS SUMMARY

1. INDOCHINA

AP REPORTS SFRSUBC 4-3 VOTE TO GRANT GKR 125 MILLION DOLS MORE MIL AID; BUT HFASUBC REPORTEDLY DEADLOCKED ON ISSUE, POSTPONED FURTHER ACTION UNTIL TODAY. HUMPHREY SAID SUBC UNCLASSIFIED

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MADE CLEAR IN DISCUSSION "THIS IS THE LAST," DOUBTED AID WILL BE APPROVED BY FULL HOUSE AND SENATE (PHINQ).

PRES GAINED TEMPORARY VICTORY IN SFRSUBC VOTE. MARGIN REFLECTS PRECARIOUSNESS OF ADMIN'S HOPES FOR MORE GKR MIL AID,

BUT FACT MONEY APPROVED AT ALL "WAS A SURPRISE." SAYS ADMIN SOME DAYS AGO ABANDONED ORIGINAL REQUEST FOR 222 MILLION DOLS AND AS SUBSTITUTE SUGGESTED LETTING DOD GIVE 125 MILLION FROM AMMO STOCKS TO CAMBODIA. SENATE SUBC BOUGHT IDEA, ALSO APPROVED 90 MILLION DOLS FOR EXTRA FOOD AND ECON AID TO GKR. SEN TOWER GAVE PESSIMISTIC VIEW OF BOTH AID REQUEST IN CONGRESS AND MIL SITUATION IN CAMBODIA (WSJ), PREDICTED AFTER MEETING WITH SECDEF THAT GKR COLLAPSE "IMMINENT," COULD COME WITHIN DAYS; BUT NOTED ASSESSMENT HIS, NOT SCHLESINGER'S (AP, PHINQ).

NESSEN TOLD REPORTERS TUESDAY GKR COULD SURVIVE WITH MORE US MIL AID, BUT WITHOUT IT "NO HOPE." DENIED CIA'S COLBY RECEIVED CABLES LEADING HIM TO BELIEVE GKR WILL FALL WITH OR WITHOUT EXTRA US AID. MEMBERS OF CODEL THAT VISITED SEA TOLD HFASUBC IT SHOULD APPROVE LIMITED GKR MIL AID (AP, PHINQ; CHITRIB). WP'S LYONS AND KILPATRICK (ALSO IN GLOBE) FIND CHANCES OF BILL PASSAGE IMPROVED BY ACTION IN SENATE AND HOUSE SUBCS. BELIEVE BILL PASSED BY SFRSUBC MAY BE EASIER THAN ORIGINAL REQUEST SINCE DOES NOT INVOLVE MORE SPENDING. MCCLOSKEY TESTIMONY "EVIDENTLY PERSUASIVE" TO MEMBERS OF BOTH SUBCS. NYT'S FINNEY SAYS JAVITS' SHIFT TO APPROVAL WAS KEY IN SUBC, QUOTES HIM THAT HE VOTED FOR BILL BECAUSE MORE LIKELY TO BRING "ORDERLY TRANSITION" OF CAMBODIAN GOVT. REPORTS HOUSE DEMS WILL CAUCUS WEDS TO CONSIDER RESOLUTION BY REP CARR OPPOSING FURTHER GKR OR GVN MIL AID. SAYS SECDEF TOLD PRESS AFTER WH MEETING THAT SITUATION IN CAMBODIA GRIM BUT NOT HOPELESS AND PP FALL NOT IMMINENT IF AID PROVIDED.

OBSERVERS SAY LON NOL MOVES FIRING SOSTHENE FERNANDEZ, ASKING LONG BORET FORM NEW GOVT, WERE EFFORT TO FORM ONE BETTER ABLE NEGOTIATE WITH KHMER ROUGE (AP PHINQ). DIPLOMATIC SOURCES SAY 5 YOUNGER GENERALS TOLD LON NOL THEY WOULD TAKE MATTERS INTO OWN HANDS UNLESS HE FORMED SUCH GOVT. FERNANDEZ'S REPLACEMENT, SAK SUT SAKHAN, HAS REPUTATION FOR HONESTY, ADMIN ABILITY; WAS NOT NAMED UNCLASSIFIED

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BY REBELS AS ONE OF 7 "TRAITORS" STANDING IN WAY OF SETTLEMENT. OTHER SOURCES THEORIZE CHANGE MADE TO IMPROVE TROOP MORALE OR BECAUSE AMB DEAN URGED IT (PHINQ; AP NYDN, GLOBE, SUN). MOVE SEEN AS START OF MAJOR CHANGE IN LEADERSHIP. PALACE SOURCES SAY FERNANDEZ BLAMED FOR POOR FANK PERFORMANCE DURING OFFENSIVE (CHITRIB).

WP'S GREENWAY IN PP REVIEWS FERNANDEZ SACKING, QUOTES GKR OFFICIALS THAT MOVE ATTEMPT TO BRING ARMY MORE UNDER CIVILIAN CONTROL, INCREASE EFFICIENCY, MORALE. OBSERVERS DOUBT "ELEVENTH HOUR" SHUFFLE CAN SERIOUSLY CHANGE CRITICAL SITUATION. SOME SEE THIS AS FIRST OF SEVERAL MOVES LEADING TO EVENTUAL LON NOL RESIGNATION TO BRING

ABOUT NEGOTIATIONS; BUT OTHERS WARN PREMATURE TO ANTICIPATE LON NOL'S QUITTING -- HE MAY BE THROWING FERNANDEZ "TO THE WOLVES" TO CREATE IMPRESSION OF REFORM. CONCLUDES FERNANDEZ LOST OUT IN POWER PLAY WITH LONG BORET. WONDERS HOW EFFECTIVE SAK SUT SAKHAN CAN BE, SINCE MOST POWERFUL GENERALS HAVE TO BE "NEGOTIATED WITH RATHER THAN ORDERED." REVIEWS SAK SUT SAKHAN, FERNANDEZ EARLIER CAREERS (EXCERPTED IN USIA WIRELESS FILE).

NYT'S ANDELMAN IN PP SAYS LON NOL'S ANNOUNCEMENT SEEN AS GESTURE TOWARD INSURGENTS AND TOWARDS LEADERS IN CONGRESS, BUT MAY BE PARTLY ATTRIBUTABLE TO POWER STRUGGLE WITHIN ARMY AND GKR. BUT SEES MOVES LIKELY TO BRING LITTLE REAL CHANGE TO GOVT OR IMMEDIATE MIL PICTURE. SAYS EXACT ROLE OF US EMBASSY IN SHAPING NEW CABINET NOT KNOWN, BUT AMB DEAN KNOWN TO HAVE MET WITH LON NOL SEVERAL TIMES IN PAST FEW DAYS (EXCERPTED IN USIA WIRELESS FILE).

GLOBE'S STORIN IN PP (3/11) NOTES THAT EVEN WITHOUT EXTRA AID, MIL ANALYSTS DO NOT DISCOUNT POSSIBILITY REBELS COULD BE KEPT OUT OF CAPITAL UNTIL RAINS START. REBELS HAVE RECENTLY FAILED TAKE ADVANTAGE OF BREACH IN GKR DEFENSE PERIMETER, AND SEEM UNABLE STOP AIRLIFT. WONDERS IF REBELS FEELING PRESSURE FROM FANK OR ARE RUNNING OUT OF AMMO. FAILURE HARD TO UNDERSTAND, SINCE AIRPORT ONLY LINK WITH OUTSIDE. QUOTES US MIL EXPERTS THAT FANK INCAPABLE OF MOUNTING COUNTEROFFENSIVE. ISN'T SURE WHETHER PP BATTLE FATAL SIEGE OR STALEMATE. STORIN UNCLASSIFIED

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(3/12) DOES HUMAN-INTEREST PIECE ON KHMER WOMAN WHO LOST HUSBAND, IS ANGRY WITH BOTH REBEL FORCES AND ARMY, AND HAS NO IDEA HOW SHE WILL SUPPORT HERSELF.

US AIRLIFT REDUCED TO HIGH-PRIORITY ITEMS BECAUSE OF HEAVY REBEL SHELLING (PHINQ; AP NYDN, GLOBE, SUN). BRITISH MIL TRANSPORT EVACUATES 30 TO SINGAPORE, BUT EMBASSY STAFF REMAINS (ANDELMAN, NYT; CHITRIB; AP SUN, NYDN). ROCKETS HIT PP WITH REPORT ONE HIT CAMBODIANA. PARTLY-COMPLETED LUXURY HOTEL HOUSING THOUSANDS OF REFUGEES (PHINQ). PHIL MFA ANNOUNCES ORDERING EVACUATION 33 FILS REMAINING IN PP; WARNS THEY COULD STAY AT "OWN PERIL" (CHITRIB; AP, SUN). NO SIGNIFICANT PROGRESS REPORTED BY FANK OPERATING N OF AIRPORT IN ATTEMPT TO PUSH BACK ENEMY "ROCKET BELT" (AP NYDN, SUN). INSURGENTS FORCE GKR TROOPS EVACUATE POSITION 5 MILES W OF AIRPORT. LOSS COULD LET ENEMY OUTFLANK FANK OPERATION TRYING FORCE REBEL GUN AND ROCKET POSITIONS BACK FROM AIRPORT (CHITRIB). MIL SITUATION CONTINUES SERIOUS ON MOST FRONTS AROUND PP. WESTERN MIL OBSERVERS SAYS UNLESS FANK GETS MORE DECENT RECRUITS AND STARTS ROTATING SOME FRONT-

LINE TROOPS, WILL BE LITTLE PROGRESS ON GKR SIDE (ANDELMAN, NYT). BEFORE DISMISSAL, FERNANDEZ SAID INSURGENT OFFENSIVE RUNNING OUT OF STEAM, WITH SUPPLY DIFFICULTIES AND REPLACEMENT OF LOSSES BY 13-14 YEAR OLDS. HIS OPTIMISM NOT SHARED BY MANY (SOUTHERLAND, CSM).

GLOBE AND MAIL'S BURNS (CSM) FROM PEKING REPORTS
SIHANOUK SAID AGREED WITH INSURGENT LEADER IENG SARY
WILL NEVER ACCEPT COMPROMISE WITH LON NOL GOVT,
AND KHMER ROUGE "HAVE DECLARED VERY SOLEMNLY BEFORE
THE WHOLE WORLD THAT THEY WILL NOT MAKE ANY BLOODBATH"
IN PP UNLESS RESISTED. SAYS PRINCE SPOKE WITH APPARENT
FEELING FOR SUFFERING OF CIVILIANS, BUT FELT NO
RESPONSIBILITY TO WORK FOR COMPROMISE SINCE SUFFERING
WAS DIRECT RESULT OF US-ENGINEERED COUP. ADDED THAT
WAR CAN BE ENDED IN FEW DAYS BY CONGRESS. CONFESSED
HE DOES NOT "LOVE" KHMER ROUGE, IS NOT "LOVED" BY
THEM, BUT SAID HE RESPECTED THEM AS INCORRUPTIBLE
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PATRIOTS AND ONLY PEOPLE WHO CAN GIVE CAMBODIA CLEAN, PROSPEROUS NATIONAL LIFE.

WP'S GETLER REPORTS APPARENT MOVEMENT OF NVA RESERVES ACROSS DMZ (EXCERPTED IN USIA WIRELESS FILE). WP'S MCCOMBS (ALSO IN PHINQ) IN SAIGON DESCRIBES HEAVY FIGHTING RAGING IN SVN AS COMMUNISTS SAID TO SEEK CONTROL OF CORRIDOR TO SOUTH. OUOTES MIL ANALYSTS THAT OVERALL PICTURE GRIM (EXCERPTED IN USIA WIRELESS FILE). NYT'S MARKHAM IN SAIGON TELLS OF BAN ME THUOT INTENSE FIGHTING AND OTHER BATTLES THROUGHOUT SVN (EXCERPTED IN USIA WIRELESS FILE). SUN'S CORDDRY QUOTES INTELL SOURCES THAT HANOI HAS MOVED UNITS OF HOME-BASED STRATEGIC RESERVES SOUTHWARD TO AREA ABOVE DMZ. STEPPED UP ITS TROOP INFILTRATION INTO SVN. REPORTS DESCRIBE MOVEMENT AS "VERY OMINOUS." THESE AND OTHER INDICATIONS WEAKEN CONVICTION OF SOME MIL ANALYSTS THAT NVN WOULD REFRAIN FROM LAUNCHING COUNTRYWIDE OFFENSIVE IN SVN BEFORE 1976. QUOTES DOD'S BEECHER THAT USAF IN THAILAND COULD NOT BE USED WITHOUT CONGRESSIONAL AUTHORIZATION. NOTES INTELL REPORTS THAT PROBING ACTIONS AROUND SAIGON INDICATE LARGE-SCALE OPERATIONS IMMINENT THERE.

GVN TROOPS FALL BACK BEFORE TANK AND INFANTRY ASSAULTS RANGING FROM SAIGON TO QUANG TRI PROV, ACCORDING MIL COMMAND. THREE DISTRICT CAPITALS LOST, AND HEAVY FIGHTING IN 4TH, WHILE FIGHT RAGES ON IN BAN ME THUOT. MIL SOURCES SAY ASSAULTS STRONGEST SINCE EASTER 1972. US SPOKESMAN SAYS 9 AMCITS AND CANADIANS PINNED DOWN IN BAN ME THUOT SAFE AND IN RADIO CONTACT,

BUT AA GUNS MAKE EVACUATION IMPOSSIBLE (UPI NYDN, CHITRIB). BAN ME THUOT STILL IN GVN HANDS BUT NVA ATTACKERS MAKING PROGRESS IN HOUSE-TO-HOUSE FIGHTING. MIL COMMANDS STATED COMMUNISTS HAVE BEGUN NATIONWIDE OFFENSIVE CAMPAIGN (AP, SUN).

NYT SPECIAL FROM SAIGON DESCRIBES BAN ME THUOT AS SLEEPY, CHARMING HIGHLANDS TOWN BEFORE SHELLS STARTED FALLING. TELLS OF WORK OF AID'S PAUL STRUHARIK WITH MONTAGNARDS, AND OF ASPIRATIONS OF LATTER WHO ARE UNCLASSIFIED

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"CAUGHT IN THE MIDDLE" OF WAR. AP FROM SAN DIEGO (PHINQ) WRITES OF MISSIONARIES IN BAN ME THUOT, ONE OF WHOM WAS CAPTURED BY VC IN 1962 AND NOT SEEN SINCE.

DOS INCREASES NUMBER OF USMC GUARDS AT MANY EMBASSIES, INCLUDING SAIGON, BECAUSE LOCAL AUTHORITIES "COULD NOT ASSURE" SAFETY OF STAFF. SAIGON DETACHMENT OF 56 IS BIGGEST AT ANY EMBASSY (AP NYT, PHINQ).

2. JAPAN

REUTER (TOKYO) SAYS MOFA WEDNESDAY ADVISED JAPANESE LEAVE PP SOON AS POSSIBLE; NINE EMBASSY STAFF, EIGHT BUSINESSMEN, SIX NEWSMEN IN CITY ACCORDING MOFA.

STEEL INDUSTRY SOURCES SAY TUESDAY MILLS AGREE RAISE PRICE IMPORTED US COAL ABOUT 11 PERCENT FOR 1975 SHIPMENTS, TO 60-66 DOLS/TON FOR WVA COAL (REUTER, NYT).

JOC'S FULLER NOTES HIGH-LEVEL ECON MISSION LEADER
HASEGAWA TOLD NY PRESS BANK OF JAPAN MAY REDUCE
OFFICIAL DISCOUNT RATE "BY THE END OF MARCH." BLAMED
GOJ TIGHT MONEY FOR "SQUEEZING ECONOMY TOO MUCH."
CHAIRMAN BANK OF TOKYO CHAIRMAN HARA SAID RESPONSIBILITY
FOR MAINTAINING VALUE OF DOLLAR RESTS WITH US. MISSION
MEMBERS ALSO NOTED DAVID ROCKEFELLER ADVISOR SAID
ECONOMIC SITUATION "VERY BAD," CONTRADICTING OPTIMISM
FOUND IN HOUSTON, ATLANTA.

CSM (LONDON) CITES LLOYDS THAT JAPAN AGAIN LARGEST SHIPBUILDER LAST YEAR; 16.9 MILLION TONS LAUNCHED ACCOUNT FOR 50.4 PERCENT WORLD TOTAL, EXCLUDING CHINA, SOVIET, ROMANIA.

JOC (WASHINGTON) SAYS USDA EXPECTS INCREASE SOYBEAN EXPORTS TO JAPAN IN COMING MONTHS, SINCE RECENT IMPORTS BELOW CONSUMPTION LEVEL.

JOC (TOKYO) CITES MITI REPORT MONDAY LICENSED IMPORTS

IN FEBRUARY DECLINED 30.1 PERCENT FROM SAME MONTH LAST UNCLASSIFIED

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YEAR; SAYS REFLECTS EFFECTIVENESS OF GOJ DRIVE REDUCE IMPORTS TO DEFEND BOP.

3. KOREA

REUTER (SEOUL) SAYS 150 DONG-A ILBO REPORTERS STRUCK WEDNESDAY TO PROTEST FIRING OF 20 COLLEAGUES; ACROSS STREET IN FRONT CHOSUN ILBO, 50 REPORTERS IN SIT-IN PROTEST DEMANDING FREEDOM OF PRESS CLASHED WITH POLICE.

4. PHILIPPINES

MARCOS QUOTED TELLING DEP SECDEF CLEMENTS PHILIPPINES NEED "NO FOREIGN TROOPS TO RESOLVE THE SECCESSIONIST REBELLION"; SITUATION "VERY MUCH IMPROVED" AND GOP WOULD PURSUE PEACEFUL RESOLUTION. MIL SOURCES SAY AIR-SEA BOMBARDMENT KILLS MORE THAN 100 REBELS ON BASILAN ISLAND (WP).

5. AUSTRALIA

REUTER (NY) QUOTES AMB GREEN TELLING ASIA SOCIETY TUESDAY "MATURATION PROCESS" OVER PAST TWO YEARS IMPROVED ATTITUDES ON BOTH SIDES, AND US-AUSTRALIA RELATIONS HAVE "IMPROVED SIGNIFICANTLY" FROM LOW POINT REACHED IN 1972. GREEN BLAMED "U.S. IGNORANCE OF AUSTRALIAN POLITICAL PRACTICES" FOR LARGE PART OF MISUNDERSTANDING BETWEEN TWO COUNTRIES. DESPITE DIFFERENCES ON INDOCHINA, INDIAN OCEAN, GREEN SAID TWO NATIONS SHARE "COMMON ATTITUDES" TOWARD PROBLEMS OF FUTURE; PRAISED AUSSIE RESISTANCE TO EFFORTS TO FORM PRICE BAUXITE, COPPER, IRON CARTELS AT EXPENSE CONSUMER NATIONS.

TWO PEOPLE DIE IN FLOODS; 8-INCH RAINFALLS ON SYDNEY, 20 INCHES ON WOLLONGONG TUESDAY (REUTER, WP).

COMMENT AND ANALYSIS

6. INDOCHINA UNCLASSIFIED

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SUN SUPPORTS SENATORIAL SUGGESTION THAT US ASSIST THOSE CAMBODIANS WANTING TO LEAVE COUNTRY AND LET REMAINDER SETTLE THEIR OWN DIFFERENCES WITHOUT ADDED US AID.

ROSCOE DRUMMOND IN CSM SAYS SOME CONGRESSMEN WHO FORMERLY OPPOSED US INDOCHINA POLICY NOW BELIEVE THAT US HAS RESPONSIBILITY TO PROVIDE AID FOLLOWING WITHDRAWAL OF OUR TROOPS. CITES VIEWS OF REPS

MCCLOSKEY AND ABZUG AS APPROVING SOME FORMS OF AID. SAYS S VIETNAMESE SHOWING THEY CAN USE AID TO FIGHT "WITH VALIANT COURAGE."

CSM SAYS NOT UNREASONABLE FOR CONGRESS TO PROVIDE SOME PORTION OF AID REQUESTED FOR CAMBODIA IN AS MUCH AS DECISION ON FUTURE SHOULD BE MADE BY PEOPLE IN PP. SUPPORTS NEW MIL AID FOR SVN WITH SPECIFIC CUT OFF DATE. CALLS FOR WASHINGTON NOT RPT NOT TO HAND VICTORY OVER TO COMMUNISTS BUT SUPPORT EFFORTS FOR POLITICAL SETTLEMENT WHICH COULD POSSIBLY FIND FUTURE INCLUSION OF COMMUNISTS IN GOVTS OF BOTH COUNTRIES

CHITRIB SEES FATE OF AID TO CAMBODIA AND INDIRECTLY TO SVN DEPENDING IN LARGE MEASURE ON OUTCOME OF HOUSE DEM CAUCUS. HEARS TONE OF DESPERATION IN FAMILIAR ARGUMENTS IN FAVOR OF AID, BUT FINDS THEM STILL VALID. WONDERS WHERE ARE OTHER COUNTRIES OF SEA THAT "WE MUST NOT LET DOWN," AND WHAT THEY ARE DOING TO HELP OR SUPPORT US. UNDERSTANDS RELUCTANCE OF THAILAND TO TAKE STRONG STAND, "BUT WHAT ABOUT" MALAYSIA, SINGAPORE, INDONESIA, AUSTRALIA AND NZ? AND HOW ABOUT REST OF WORLD? POINTS OUT MANY AMERICANS MOST VOCIFEROUS IN SUPPORT OF ISREAL ARE LOUDEST IN DEMANDING WE GET OUT OF INDOCHINA. CONCLUDES MISTAKES CANNOT BE UNDONE AND INCREASED MIL AID MUST BE DECIDED ON OWN MERITS: IF THERE IS NO PERSUASIVE EVIDENCE IT WILL DO JOB, THEN NO AMOUNT OF MORALIZING CAN JUSTIFY IT. UNCLASSIFIED

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CITING CALLS IN US SENATE FOR LON NOL'S REMOVAL, WS DECLARES NOT FOR US TO DECIDE WHEN CAMBODIA SHOULD CHANGE RULERS. BELIEVES EVEN IF CHANGE MADE, GKR "WILL STILL PREFER TO HANG ON SO LONG AS IT SEES ANY CHANCE OF AVOIDING" VIETNAMIZED FUTURE. INSISTS SENSIBLE COURSE FOR US IS TO MAKE CLEAR WE WILL NOT FIGHT CAMBODIA'S BATTLE, BUT TO SUPPLY PP ENOUGH ARMS TO OFFSET EXTERNAL SUPPORT BEING GIVEN INSURGENTS.

TERHORST CONCLUDES "JIG IS UP" FOR LON NOL GOVT,
PRINCIPAL MATTER THAT CAN BE NEGOTIATED IS WHETHER
MASSACRE PREVENTABLE IN WAKE OF REBEL TAKEOVER.
SEES ADMIN POSING CHALLENGE TO PRC AND SOVIET DETENTE
WITH US, ASKING THEY USE INFLUENCE WITH CAMBODIA
INSURGENTS TO PREVENT BLOOD-BATH WHEN PP FALLS. CITING

ADMIN POSITION THAT REQUESTED 222 MILLION DOLS NEEDED TO DEMONSTRATE CREDIBILITY OF US COMMITMENT TO CAMBODIA,

TERHORST ARGUES THAT KEEPING "VALIANT" ALLY FROM GOING UNDER IS ONE THING -- BUT HELPING LON NOL REGIME IS ANOTHER. POINTS TO "CORRUPTION, GREED, GROSS INEFFICIENCY, AND CALLOUS INDIFFERENCE" TO PLIGHT OF CAMBODIAN PEOPLE THAT "HAVE BEEN HALLMARKS" OF PP GOVT SINCE 1970 (CHITRIB).

GLOBE'S HEALY DEPLORES ADMIN'S INABILITY TO CONCEDE WHAT WE HAVE BEEN DOING PAST 15-16 YEARS IN SEA HAS BEEN MISTAKE, AND SO NO POINT IN PERSISTING ON WRONG COURSE BY CONTINUING GKR/GVN AID. CITES PP DISPATCHES QUOTING AMEMBASSY SOURCES THAT GKR SITUATION HOPELESS, NEGOTIATED SURRENDER ONLY THING THAT CAN BE HOPED FOR. SAYS IF THIS IS WORD ADMIN GETTING FROM OWN PEOPLE IN FIELD, WHILE IT STILL PUTS BURDEN FOR FAILURE OF US POLICY IN CAMBODIA ON CONGRESS' REFUSAL TO APPROPRIATE ANOTHER 222 BILLION DOLS, "THAT IS PURE DECEPTION."

DETROIT NEWS (FEB 27) REMINDS OPPONENTS OF GKR MIL AID THAT US LAUNCHED CAMBODIA INCURSION TO ATTACK COMMUNIST TROOPS INTERFERING WITH CAMBODIA SOVEREIGNTY, AND AFTER US FORCES' PULLOUT, WE "MADE COMMITMENTS TO SUPPLY CAMBODIA" MONEY, ARMS AND TECHNICAL AID. IF UNCLASSIFIED

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COMMITMENT NOT KEPT, WILL RAISE QUESTIONS ABOUT WHETHER US KEEPS ITS WORD TO ANY ALLIES WHEN THEY MEET REVERSES.

NYT'S HERBERS SAYS "GAP BETWEEN PUBLIC AND PRIVATE ASSESSMENTS" OF ADMIN ON CAMBODIA SITUATION ARE DAMAGING FORD CREDIBILITY. CONTENDS NESSEN, ON PRES' INSTRUCTIONS, HAS BEEN ATTEMPTING SHOW THERE IS NO DIFFERENCE IN PRIVATE AND PUBLIC STATEMENTS; IN TALKS WITH REPORTERS, WH SPOKESMAN SEEMS UNAWARE OF MORE PESSIMISTIC OF PRIVATE ASSESSMENTS, AND SEEKS REDUCE DIFFERENCES TO MATTER OF SEMANTICS.

7. JAPAN

NYT'S HALLORAN IN TOKYO (3/11) TERMS LATEST JAPANESE AGREEMENT TO IMPORT OIL FROM CHINA "ANOTHER STEP" TOWARD CLOSER RELATIONS WITH PEKING, AND AWAY FROM MOSCOW. VIEWS MIKI GOVT REVERSING TANAKA POLICY, AND LEANING TOWARD CHINA FOR POLITICAL, ECONOMIC, SECURITY REASONS, PERHAPS BECAUSE SOVIET SEEN AS "POTENTIAL THREAT." OBSERVES INITIATIVE LIES LESS WITH TOKYO, AS PEKING COURTS JAPAN WITH CONCILIA;ION, AND WOULD-BE SUITOR MOSCOW BLUNDERS IN SOME AREAS. AMERICAN OFFICIALS SAID NOT CONCERNED ABOUT MIKI POSTURE, BUT WATCHING TO SEE WHETHER AFFECTS HAK

CONCEPT OF ASIA POWER BALANCE.

CHITRIB'S YATES IN SAIGON DESCRIBES "BAD MANNERS"
OF JAPANESE TOURISTS IN ASIA, SAYS GOJ AWARE OF IMAGE
PROBLEM, AND TRYING DO SOMETHING. QUOTES KYOTO U
SOCIOLOGIST TORU YANO, ON MOFA ADVISORY COMM, THAT
JAPANESE WILL CONTINUE BEHAVE "AWKWARDLY" OVERSEAS
UNLESS CHANGE BASIC INSULAR PHILOSOPHY. MOFA
OFFICIAL SAYS "CAN ONLY PROVIDE GUIDELINES, BEYOND
THAT UP TO INDIVIDUAL." SPOTLIGHTS GROUP INSTINCTS
OF JAPANESE ABROAD BY QUOTING CHINESE MERCHANT
IN HK THAT AMERICANS MIX WITH INHABITANTS OF HOST
COUNTRY BUT JAPANESE DO NOT, "AND THAT SPELLS ARROGANCE
IN ANYBODY'S LANGUAGE."

8. KOREA UNCLASSIFIED

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WP'S MORGAN, IN THIRD OF SERIES (MAR 11) NOTES RECORD 5.2 MILLION TON US RICE CROP HAS NOT BROUGHT PRICES DOWN. SAYS SOME GOVT AGRIC SPECIALISTS CONVINCED CONTRADICTION OF SUPPLY/DEMAND LAW DUE TO PRICE MANIPULATION BY INFLUENTIAL FRIENDS OF RICE INDUSTRY, THROUGH FOOD FOR PEACE PROGRAM. SAYS REP PASSMAN, AS ONE,TOURS ASIA TO PROMOTE CASH SALES, AND FORMER REP HANNA CAN GO TO TOP OF ROKG BUREAUCRACY, DEPY PM NAM, TO BREAK LOGJAMS. SAYS US-EDUCATED, WASHINGTON RESIDENT TONG SUN PARK, "MYSTERY MAN" IN CLOSELY-KNIT CIRCLE OF BIG TIME RICE DEALERS (USIA WIRELESS FILE 3/11).

MORGAN/OBERDORFER (WP) DEVOTE FOURTH IN SERIES OF ARTICLES ON "FOOD AID BUSINESS" TO KOREA. QUOTE USDA'S YEUTTER THAT KOREA IS WORLD'S GREATEST FOOD FOR PEACE SUCCESS STORY. KOREANS' EATING HABITS SIGNIFICANTLY CHANGED BY US WHEAT EXPORTS. VALUE OF US FOOD EXPORTS 2 BILLION DOLS OF WHICH 500 MILLION FREE. POINTS TO CRITICISM BY FORMER FULBRIGHTER WIDMAN THAT ROKG ABLE MAINTAIN STRANGLEHOLD ON COUNTRY'S GRAIN SUPPLY BECAUSE OF US FOOD. AND WITHSTAND PRESSURES TO RAISE RICE PRICES TO FARMERS. COMMERCIAL PURCHASES NOW SIGNIFICANT FOREIGN EXCHANGE COST. MENTIONS KENNEDY TEXTILE AGREEMENT AND RICE "DEVELOPMENT" LOANS. SAYS PROCEEDS FROM SALE OF US FOOD NOT BEING USED FOR DEVELOPMENT BUT FOR DEFENSE NEEDS, PRIMARILY. QUOTES RETIRED AID OFFICAL THAT PARK IS EPITOME OF BENEVOLENT DICTATOR (USIA EX FILE ITEM TO SEOUL 3/12).

NYT'S HALLORAN IN SEOUL FINDS POLITICAL MOOD OF "EXPECTANCY" -- EVERYONE THINKS SOMETHING ABOUT TO HAPPEN, BUT DOESN'T KNOW WHAT. ALL NARROWS

DOWN TO QUESTION "CAN THE PRESIDENT SURVIVE?"

SEES PARK AND "INCREASINGLY VIGOROUS" OPPOSITION ON COLLISION COURSE. IF NEITHER TURNS ASIDE OUTLOOK IS FOR AN EXPLOSION BUT RESULT IS UNPREDICTABLE.

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MEANTIME, US OFFICIALS FEAR POLITICAL CHAOS MAY TEMPT NK INTO VIOLENCE THAT WOULD INVOLVE US TROOPS.

9. PORTUGESE TIMOR

CSM'S MILLAR IN CANBERRA (3/7) SAYS INDONESIA CLEARLY CONCERNED THAT IF LEFT-WING GOP GOVT ELECTED NEXT MONTH, LISBON MAY GRANT EAST TIMOR QUICK INDEPENDENCE UNDER CONDITIONS THAT WOULD LEAD TO "MAOIST REGIME."

AUSSIES SHARE CONCERN, BUT ALSO FEAR PRECIPITATE GOI ACTION WOULD UPSET REGIONAL PEACE, THREATEN EMERGING INDEPENDENCE OF PAPUA-NEW GUINEA. OBSERVES WHITLAM IN EMBARRASSING POSITION -- TOLD SUHARTO LAST SEPTEMBER HE SUPPORTS EAST TIMOR INDEPENDENCE PHILOSOPICALLY, BUT WOULD PREFER EAST TIMOR BECOME PART INDONESIA IN PREFERENCE TO UNCERTAINTY OF POTENTIALLY HOSTILE GOVT IN STRATEGIC LOCATION THAT MIGHT BE OPENED TO WHO-KNOWS-WHAT FOREIGN POWER. BUT NOW, WITH AUSSIE PRESS REPORTING INDONESIAN INVASION WITHIN NEXT FEW WEEKS, CANBERRA URGENTLY TRYING IMPRESS GOI THAT GOA COULD NOT CONDONE MILITARY INTERVENTION. NOTES SOME OBSERVERS BELIEVE EXPLICIT DISAPPROVAL MAY CHECK POSSIBLE GOI INVASION FOR TIME BEING; BUT OTHERS ASK WHETHER PAPUA NEXT TARGET. INGERSOLL

NOTE BY OC/T: POUCHED BUDAPEST.

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Executive Order: N/A

Errors: n/a

Film Number: D750088-0568 From: STATE

Handling Restrictions: n/a

Image Path:

Legacy Key: link1975/newtext/t19750399/baaaagtv.tel

Line Count: 526

Locator: TEXT ON-LINE, TEXT ON MICROFILM

Office: ORIGIN EA

Original Classification: UNCLASSIFIED Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 10

Previous Channel Indicators: Previous Classification: n/a Previous Handling Restrictions: n/a Reference: n/a Review Action: RELEASED, APPROVED Review Authority: CollinP0

Review Comment: n/a Review Content Flags: Review Date: 27 MAR 2003

Review Event:

Review Exemptions: n/a
Review History: RELEASED <27 MAR 2003 by HageRS>; APPROVED <27 FEB 2004 by CollinP0>

Review Markings:

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JÚL 2006

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE Subject: n/a

TAGS: PFOR, XC, US To: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

MOSCOW TREASURY **BIEN HOA CAN THO** DANANG

HONG KONG
NHA TRANG
JEC PARIS INFO USSAGE NKP
CINCPAC HONOLULU HI
COGARD
BUDAPEST BY POUCH
XMT SUVA
RANGOON
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006